

**MINUTES OF THE
UTAH COMPREHENSIVE HEALTH INSURANCE POOL
BOARD OF DIRECTOR'S MEETING**

**November 8, 2012
Select Health
Auditorium B
1:00 p.m.**

Directors

Present: Doug Hasbrouck M.D., Chair; Tanji Northrup (proxy for Neal Gooch); Chet Loftis; Steve Bateman; Rob Perry; Norm Thurston,

Directors Steve Canfield; Steve Neeleman; Matthew Minkevitch; Randy Smart; Todd Trettin;
Absent: Elizabeth Hunter

Present by

Invitation: Tomi Ossana; Troy Pritchett; Sally Burns; Van Christensen; Jennifer Roth

SelectHealth

Staff Present: Jim Murray; Lyndee Astill; Judy Wolf; Christine Lake; Crystal Ince; Shirlee Flandro

The meeting was called to order at 1:07 p.m. by Doug Hasbrouck, Vice-Chair.

ADMINISTRATIVE REPORTS FOR HIPUTAH AND FEDERAL HIPUTAH—Jim Murray

Jim Murray presented the Administrative report for HIPUtah. He compared last year same time period to this year. Everything seems to be running steady without much change.

Jim Murray also presented the Federal-HIPUtah Administrative report. Enrollment continues to grow steady in Federal-HIPUtah.

LOSS RATIO REPORT—Jim Murray

Jim Murray presented the loss ratio reports for both HIPUtah and Federal-HIPUtah. No significant changes were noted from the prior report.

HIPUTAH ANNUAL FINANCIAL REPORT—Van Christensen and Jennifer Roth

Van Christensen and Jennifer Roth discussed the findings of the state audit. Doug requested a background of how the audit is completed. Van explained the documents that were requested from SelectHealth, the Executive Director as well as the information they have from the state.

There were two audit findings, both fall under the “other” category. They are documented due to the cost impact on the HIPUtah Program even though it was small:

1. Non-compliance with family premium waiver policy. A random selection of 2 out of 20 subscribers who received a waiver under the plan for fiscal year 2012. In both cases the subscriber

had become ineligible for the waiver but continued to receive it. As a result HIPUtah has lost the premium revenue totaling \$6,355 for the two subscribers reviewed.

It's recommended the SelectHealth procedure put into place to run a monthly review on the subscribers involved with the Family Premium Waiver be reviewed to determine where it was not being adhered to.

HIPUtah and SelectHealth already discussed in October a resolution for this issue. It will be tracked on a monthly basis by SelectHealth as well as the Executive Director will have the availability to request random reports throughout the year to run a report to verify.

2. Inappropriate assessment and payment of monthly administrator fees were identified in the instance where a newborn and/or adopted child is added to a subscriber's policy for the first 30 days. In a selection of members picked it was found there was more than one administrative fee collected for subscribers. It resulted in nine instances which incurred an over billing of \$312 in administrator fees.

Recommendations were made that a periodic review is completed to verify there is no overbilling for administrator fees.

HIPUtah and SelectHealth met in October regarding this issue. It was determined that it is a manual process to correct the admin. count, in these instances it was missed and not corrected. SelectHealth has come up with new processes and is currently testing to verify accuracy. SelectHealth is also researching any other instances the overbilling may have incurred to make the adjustments and correct all accounts.

ACTUARIAL REPORT & FINANCIAL PROJECTIONS—Troy Pritchett

Troy reported on the actuarial report for HIPUtah and Federal-HIPUtah. He requests the board review the current rates and plan designs and requested during January's board meeting time be given to discuss the possibilities of what adjustments may need to be made if any.

APPROVAL OF MINUTES

The HIPUtah minutes of September 27, 2012 were presented with no changes.

REQUEST OF BENEFIT CHANGES—Tomi Ossana

The Utah Department of Health (UDOH) requested that HIPUtah discuss maintaining the \$500 deductible plan option for the members that become eligible for HIPUtah under the Ryan White plans. Discussion was brought up asking why they should be treated different from other potential members that have to pay all expenses themselves. Rob made a motion to request more information, but meanwhile treat them the

same. 1- Are they aware it is for new members only? 2- Can they provide examples of how/why they would not be able to come up with the additional \$500 that would separate them from the general public that wants to come on? There was no need for a second to the motion since the board agreed to make no changes. Tomi will reach out to the UDOH with this decision and allow them to provide further justification for treating them different if they choose. At this time no action is taken.

ACTION ITEMS—Tomi Ossana

A Request was made for Representative Dunnigan to sponsor legislation that would change the life time maximum from \$1.5 million to \$2 million. He requested a review of claims to determine the best number that was suffice for members to get through 2013. It was determined \$1.8 million should be sufficient. Representative Dunnigan agreed and the State Insurance Department agreed to add it to part of their clean-up bill for the 2013 legislation session.

The Board meeting schedule for 2013 was presented with 2 changes, one in January and one in May.

Sally, Tomi, and SelectHealth have completed the annual report. Tomi has requested board members review the report and get any changes to her.

HIPUtah FY 2013 & FY 2014 BUDGET REVIEW—Tomi Ossana

Everything is running on budget and is projected to be throughout the remainder of the year. Next review of the budget will show a hit due to the bank fees for overdrafts that had accrued due to an issue within the Insurance Department not funding the bank account timely. There are now 3 or 4 backup Insurance Department employees to avoid the issue from repeating.

FEDERAL-HIPUTAH BUDGET REVIEW AND CY 13-Tomi Ossana and Sally Burns

The request for CY 13 allocation was made to CCIIO. CCIIO came back requesting the cost proposal be based on a quarterly basis (First quarter is January through March of 2013). In addition CCIIO requested documentation that the provider contract under SelectHealth is more viable than having Feds run the program under their provider contracts. CCIIO decided to keep the contract with the state after further discussion and negotiations. When requested a time frame for the contract, they informed Tomi they will be sending it out around the 30th of November. The contract from this point will be broken down by quarters. This is done to be able to allocate the funds throughout the states as needed.

RISK POOL ENROLLEES TRANSITION TO EXCHANGE AND REINSURANCE-Tomi Ossana

After a very thorough discussion it was decided to use a mechanism like HIPUtah to manage the Reinsurance for the state.

Chet motioned to authorize Tomi to engage in the process to allocate \$50,000 to \$100,000 from surplus for a study that would help the state understand the best way to protect the individual market in the transition from HIPUtah to a reinsurance program. Steve seconds the motion 1 opposed, the rest agreed.

PREMIUM SUBSIDY UPDATE- Tomi Ossana

The budget was modified September 12, 2012. Because enrollment is diminishing on HIPUtah, so is the enrollment in the premium subsidy program. Next round of grant funding will be for FY 13 in the amount of \$970,000. Tomi and Troy will look at modifying the program to be sure to utilize all the funds that have been allocated to the program.

NEXT MEETING

The next Board meeting has been scheduled for **Thursday, January 17, 2012** at SelectHealth.

There being no further business, the meeting adjourned at 3:36p.m.